

From: Kaleri, Cynthia
Sent: Friday, March 09, 2018 10:57 PM
To: Beeler, Cindy; Patefield, Scott
CC: Mia, Marcia; Lundelius, Diana; Larson, Darrin; Thompson, Steve
Subject: FW: San Juan 28/6 Unit #143 vent/flare
Attachments: e-Mail to Hilcorp (03-09-2018).pdf

ENFORCEMENT CONFIDENTIAL

Ex. 5 Deliberative Process (DP)

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See what ya'll think and perhaps we can talk Monday more about this issue?

Cynthia J. Kaleri

Enforcement Officer, EPA Region 6

Phone (214) 665-6772

Mailing Address

Attention: Cynthia J. Kaleri (6EN-AA)

United States Environmental Protection Agency

1445 Ross Avenue

Dallas, TX 75202-2733

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From: Kaleri, Cynthia
Sent: Thursday, March 08, 2018 1:48 PM
To: Mia, Marcia <Mia.Marcia@epa.gov>
Subject: FW: San Juan 28/6 Unit #143 vent/flare

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Ex. 5 Deliberative Process (DP)

Article on Sale of ConocoPhillips to Hilcorp:
<https://www.bizjournals.com/albuquerque/news/2017/08/01/texas-energy-giants-sale-of-san-juan-assets-closes.html>

cid:image002.jpg@01D3B6E4.142FEC00

Cynthia J. Kaleri

Enforcement Officer, EPA Region 6

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From: Don Schreiber [mailto:vivariorriba@gmail.com]

Sent: Thursday, March 08, 2018 11:40 AM

To: Victoria Barr <vbarr@blm.gov>; Richard Fields <rafiel@blm.gov>; Scott, Sarah N <sscott@blm.gov>; Dave Mankiewicz <dvmankiewicz@blm.gov>; Joel Hewitt <jhewitt@blm.gov>; charlie.perrin@state.nm.us; ralph.gruebel@state.nm.us; larsen.darrin@epa.gov; Kaleri, Cynthia <kaleri.cynthia@epa.gov>; Marsh, Karen <Marsh.Karen@epa.gov>; Suzanne Schreiber <sschreiber@tulsacf.org>; Mike Wuensche <mwuensche@hilcorp.com>; Juanita Farrell <jfarrell@hilcorp.com>; Jane Schreiber <devilsspringranch@gmail.com>; Sonia Grant <soniagrants@uchicago.edu>

Subject: San Juan 28/6 Unit #143 vent/flare

STATUS as of 8:40 am 3/8/18

EPA - Standards of Performance Subpart 0000a 40 CFR 60,70, 71, 98
https://www.epa.gov/sites/production/files/2016-09/documents/20120417_natural_gas_summary_gas_well.pdf

· "o Phase 2: Beginning Jan. 1, 2015, operators must capture the gas and make it available for use or sale, which they can do through the use of green completions."

· "recompletion shall be defined as a modification and therefore subject to the Standards of Performance"

· "o Exceptions for new wells: [\$ New exploratory ("wildcat") wells] [\$ Hydraulically fractured low-pressure wells, where natural gas cannot be routed to the gathering line]

· Region 6 EPA Air Enforcement Program - Cindy Kaleri (214-665-6772) Team Leader is in discussion with Supervisor Darrin Larson (241-665-7115) to respond to the intended vent/flare of #143. The response will be today, March 8, 2018.

BLM - <https://www.regulations.gov/document?D=BLM-2016-0001-9126>

· "in those few instances in which both agencies regulate an activity and could potentially cover the same source-specifically well completions and leak detection-the BLM final rule provides that an operator can comply with just one set of requirements. Specifically, the rule aligns the BLM's requirements with the corresponding EPA requirements to a substantial degree, and also provides that an operator will be deemed to be in compliance with the BLM rules if the operator complies with the applicable requirements of subpart 0000a."

· Have requested FFO send inspector(s) to site today to determine the volume of the release(s), if any. Also request that a FLIR record be made.

Federal/State Agency Referral Cycle

- San Juan 28/6 Unit #143 Referral Cycle
- BLM says no authority, refers to OCD
- OCD says no authority, refers to NMED Air Quality
- NMED says no authority, refers to EPA

· Eventually able to reach EPA Region 6 after calls to EPA D.C and EPA North Carolina.

Hilcorp Hang Up 3/7/18

· 11:34 a.m. called Hilcorp land rep. Juanita Farrell to inquire about contacts/status #143. Told no contacts available. Told #143 would frack 3/8/18.

· 3:27 p.m. Juanita Farrell called, told that Hilcorp would no longer discuss #143.

· 4:48 p.m. Charlie Creekmore, Division Land Manager called, confirmed no further discussion #143, confirmed Farrell as contact.

Notes:

BLM FFO, esp. Sarah Scott and Joe Hewitt have been available and engaged in trying to deal with vent/flare issue as other BLM officers out of office. We appreciate their patience and concern. (Joe- I cannot correct my address for you, sorry about the "Joel")

OCD, NMED helpful and we appreciate that.

EPA D.C, NC and Dallas thank you for your quick action and cooperation.

· (Especially want to thank also EPA in DC James Critchfield, and at the Federal Triangle Christian Fellner, and in Dallas Rob Lawrence)

Hilcorp has rushed this project from our first onsite of just over a week ago, and has been both unresponsive and mis-leading regarding the completion of the #143 and (#127 now cancelled). If EPA Air Enforcement cannot stop the vent/flare of the #143, BLM & EPA rule(s) require an exact measurement of the methane volume released. We have asked to be present for that measurement, but with Hilcorp refusing to discuss #143, we are uninformed of when/how that will take place or indeed if they now intend to comply with EPA green completion rules. We were present on location yesterday and have hard hat, steel toes, safety glasses, FR's.

In 20 years of working with Burlington and ConocoPhillips we had many disagreements, some very serious, but we were never, (1) rushed into a drilling process as we have been here or, (2) shut out of discussions regarding the subject, whether it was a location, road, pipeline, or well.